

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT APPLICATION OF LOUISVILLE)
GAS AND ELECTRIC COMPANY AND)
KENTUCKY UTILITIES COMPANY DEMAND-)
SIDE MANAGEMENT FOR THE REVIEW,) CASE NO. 2007-00319
MODIFICATION, AND CONTINUATION OF)
ENERGY EFFICIENT PROGRAMS AND DSM)
COST RECOVERY MECHANISMS)

O R D E R

On November 13, 2007, the Commission issued a revised procedural schedule allowing the parties until November 30, 2007 to request a hearing in this case. On December 3, 2007, the Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties, Inc. ("CAC") and the Kentucky Association for Community Action, Inc. ("KACA") filed their motion for hearing. As grounds for the request, CAC and KACA cite their review of the revised comments of the Attorney General and the comments of Louisville Gas and Electric Company ("LG&E") and Kentucky Utilities Company ("KU") on the low-income weatherization program which shows that the issues involved need further clarification.

On December 4, 2007, LG&E and KU filed their objection to CAC and KACA's request for a hearing. LG&E and KU objected based on the untimely filing of the motion and because the companies believe that they have demonstrated the need for the weatherization program as proposed. As an alternative, LG&E and KU moved the Commission to approve the application as filed, with the exception of the WeCare

program, and to limit the scope of any hearing to issues concerning that program, the appropriateness of the lost sales cost recovery and Demand-Side Management economic incentive. CAC and KACA replied to LG&E and KU's objection by arguing that they did file the motion for a hearing in a timely matter, given that they placed the pleading in the Commission's after hours drop box on Friday, November 30, 2007, the due date for the motion.

In order to ensure that all the issues in this case are fully before the Commission, we find that CAC and KACA's request for a hearing should be granted. The Commission further finds that its procedural schedule should once again be revised in order to schedule a hearing and allow for all parties to file testimony. The Commission will not restrict the issues covered, but since there are few issues proposed for discussion at the hearing, the Commission encourages the parties to see if the matter can be settled before the hearing date.

IT IS THEREFORE ORDERED that:

1. The public hearing in this matter is scheduled for 9:00 a.m., Eastern Standard Time, on January 9, 2008 in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky.
2. The revised procedural schedule set forth in Appendix A, which is appended hereto and incorporated herein, shall be followed.
3. Any party filing testimony shall file an original and 10 copies.
4. LG&E and KU shall give notice of the time, place, and purpose of the scheduled hearing in this matter in a newspaper of general circulation in all areas in

which it provides service one time not less than 7 nor more than 21 days prior to the hearing.

5. LG&E and KU shall file an Affidavit of Publication of Hearing Notice with the Commission on the day of the hearing.

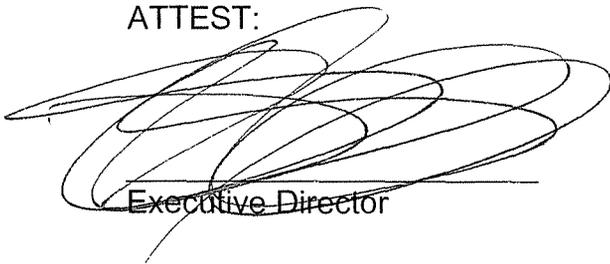
6. The official record of the proceeding shall be by video only, unless otherwise requested by a party to this proceeding by January 2, 2008.

Done at Frankfort, Kentucky, this 19th day of December, 2007.

By the Commission

Commissioner Clark Abstains

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2007-00319 DATED December 19, 2007

All parties wishing to file testimony shall file by12/30/07

Requests for a court reporter shall be filed by01/02/08

Public Hearing shall begin at 9:00 a.m., Eastern
Standard Time, in Hearing Room 1 of the Commission's
offices at 211 Sower Boulevard, Frankfort, Kentucky,
for the purposes of cross-examination of witnesses of
Louisville Gas and Electric Company,
Kentucky Utilities Company, and Intervenors01/09/08

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